

Message Text

CONFIDENTIAL

PAGE 01 GEORGE 02012 121910Z

41

ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 /026 W
----- 079246

P 121530Z NOV 74
FM AMEMBASSY GEORGETOWN
TO SECSTATE WASHDC PRIORITY 546

C O N F I D E N T I A L GEORGETOWN 2012

E.O. 11652: GDS
TAGS: EMIN EINV GY
SUBJECT: BAUXITE ATMOSPHERICS

REF: STATE 247093

EXDIS

SUMMARY: BURNHAM QUERIED, PERHAPS RHETORICALLY, WHETHER USG WOULD ACCEPT JAMAICA-LEVEL BAUXITE LEVY IN GUYANA. CHARGE RELAYED USG DISPLEASURE AT PUBLIC ATTACKS TO BURNHAM AND RAMPHAL. RAMPHAL THOUGHT TONE HAS ALREADY MODERATED AND PREDICTED CONTINUATION OF MORE MODERATE TONE IN STATEMENTS.

1. BURNHAM CALLED ME ASIDE AT RECEPTION NOV 11 FOR VISITING LIBERIAN PRESIDENT TOLBERT TO JOIN HIM AND BRITISH HIGH COMMISSIONER BATES IN CONVERSATION. BURNHAM BEGAN BY RETURNING TO OUR BANTER OF PREVIOUS DAY AT GUYANA LEGION HALL FOLLOWING HIS OTHERWISE UNNOTEWORTHY SPEECH IN WHICH HE HAD MENTIONED U.S. CONGRESSIONAL CHARGE OF DE-STABILIZATION ACTIVITIES IN CHILE AS SUPPORTING HIS WARNING THAT GUYANA MUST STEEL ITSELF AGAINST PRESSURE RESULTING FROM ITS EFFORTS TO GAIN CONTROL OF ITS NATURAL RESOURCES. (BANTER WAS ON THEME OF WHETHER WE SHOULD DESTABILIZE HIM SO AS TO BETTER UTILIZE HIS TALENTS IN NEW JOB AS A HARD-SELL SOLICITOR FOR CHARITABLE CONTRIBUTIONS.) HE THEN SAID THAT USG SEEMED TO HAVE ACCEPTED JAMAICAN BAUXITE LEVY AND QUERIED WHETHER USG WOULD ACCEPT SAME LEVY FROM GUYANA. I POINTED OUT THAT CIRCUMSTANCES OF JAMAICAN LEVY WERE DIFFERENT, SINCE NATIONALIZATION NOT PROMISED BY END OF YEAR, SINCE LEVY DID NOT AT TIME OF IMPOSITION HAVE AS EXTREME FEATURE OF RETROACTIVITY AS GUYANA'S, AND SINCE COMPANY'S
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 GEORGE 02012 121910Z

COSTS OF PRODUCTION AND TRANSPORT WERE ALLEGEDLY HIGHER IN GUYANA.

I ALSO NOTED THAT COMPANIES AND USG HAD BY NO MEANS ACCEPTED JAMAICAN LEVY AS FAIT ACCOMPLI, SINCE COMPANIES WERE APPEALING TO ICSID. I SAID THAT IF HE WANTED TO PROPOSE ELIMINATING THOSE AGGRAVATING FACTORS OF THE GUYANA SITUATION, I WAS SURE WE WOULD BE HIGHLY INTERESTED IN TALKING AND THAT QUITE PROBABLY REYNOLDS WOULD BE AS WELL.

2. BURNHAM THEN SAID THAT HE HAD OFFERED TO TALK WITH REYNOLDS BEFORE BUT HAD GOTTEN ONLY EQUIVOCAL OR OPPOSING RESPONSES. HE REFERRED TO PREVIOUSLY REPORTED INCIDENT IN LONDON (APPARENTLY IN 1971) WHERE HE ALLEGED THAT MCCONNELL OF REYNOLDS AT RESIDENCE OF GUYANA HIGH COMMISSIONER HAD CONFRONTED HIM WITH WARNING "NOT TO TRY TO PULL ON US WHAT YOU DID WITH ALCAN."

3. BURNHAM THEN TURNED TO BATES AND CONTRASTED THIS BEHAVIOR WITH RESPONSE OF BOOKERS TO THE SUGAR LEVY, BAIINGLY SAID THEY WERE "HAPPILY" PAYING. BATES, CLAIMING THAT THE TEARS OF BOOKERS BECAUSE OF THE SUGAR LEVY WERE CAUSING AN APPRECIABLE RISE IN THE OCEAN LEVEL BETWEEN HERE AND LONDON, ADDED A FEW WORDS SUPPORTING MY DIFFERENTIATION BETWEEN THE JAMAICA AND GUYANA ACTIONS AGAINST THE BAUXITE COMPANIES. I THEN SAID THAT ONE CONTRAST BETWEEN GUYANA AND JAMAICA THAT PARTICULARLY CONCERNED WASHINGTON AT THE PRESENT TIME WAS THAT BURNHAM AND OTHER GUYANESE SPOKESMEN SEEMED TO BE EXAGGERATING THE BAUXITE DISPUTE TO THE DETRIMENT OF THE GOOD PUBLIC RELATIONS BETWEEN OUR TWO COUNTRIES. I ASKED FONMIN RAMPHAL WHO HAD JUST JOINED THE THREE OF US, WHETHER HE HAD RECEIVED ANYTHING FROM AMBASSADOR TALBOT ON HIS CONVERSATION WITH DEPUTY ASSISTANT SECRETARY SHLAUDEMAN ABOUT THIS MATTER. WHEN RAMPHAL SAID NO, I NOTED TO HIM AND BURNHAM THAT SHLAUDEMAN HAD LATE LAST WEEK EXPRESSED OUR CONCERN TO TALBOT OVER PUBLIC RECRIMINATION AGAINST USG, AND THAT SEVERAL SPECIFIC ARTICLES IN THE GOVT-OWNED AND PNC PRESS HAD BEEN SUBSEQUENTLY MENTIONED TO TALBOT. I ADDED TO THE PM THAT WE HAD, OF COURSE, LISTENED TO HIS SPEECH OCTOBER 27 WITH CONSIDERABLE INTEREST AND HAD DUTIFULLY CABLED EXCERPTS TO WASHINGTON. BURNHAM IMMEDIATELY REQUESTED IN MOCK HORROR THAT I REPORT BACK THAT HE QUOTE STANDS WITH THE WEST UNQUOTE, PUTTING HIS ARMS AROUND BATES AND MYSELF AND ASKING RAMPHAL TO GET A PHOTOGRAPHER.

4. THOUGH THE CONVERSATION THEN SWITCHED TO AN IRRELEVANT MATTER, CONFIDENTIAL

CONFIDENTIAL

PAGE 03 GEORGE 02012 121910Z

THE POINT OF OUR CONCERN SEEMED TO HAVE BEEN MADE, AND RAMPHAL WAS FINALLY SUCCESSFUL IN PULLING BURNHAM AWAY TO BID GOODBYE TO PRESIDENT TOLBERT.

5. AFTER TOLBERT AND BURNHAM DEPARTED, I SHOWED RAMPHAL THE TEXT OF PARAS 1 AND 2 OF REFTEL (I.E. ADDRESSEES, TITLE, ETC. DELETED TO EXPLAIN MY EARLIER COMMENT. IN RESPONSE TO HIS REQUEST THAT HE HAVE A COPY, I TORE OFF PARA TWO AND HANDED IT TO HIM.

RAMPHAL ADDED THAT HE SHARED OUR CONCERN. HE THOUGHT, HOWEVER,
THAT THE TONE OF GOVT SPOKESMEN'S STATEMENTS ON THIS ISSUE HAD
ALREADY MODERATED AND THAT FUTURE STATEMENTS SHOULD CONTINUE TO
REFLECT A MORE MODERATE ORIENTATION.
MATTHEWS

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BAUXITE, NATIONALIZATION, LEVIES, NEGOTIATIONS, DIPLOMATIC DISCUSSIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 12 NOV 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: cunninfx
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974GEORGE02012
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740325-1135
From: GEORGETOWN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741151/aaaabriz.tel
Line Count: 120
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION SS
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: STATE 247093
Review Action: RELEASED, APPROVED
Review Authority: cunninfx
Review Comment: n/a
Review Content Flags:
Review Date: 27 JUN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <27 JUN 2002 by boyleja>; APPROVED <17 MAR 2003 by cunninfx>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BAUXITE ATMOSPHERICS
TAGS: EMIN, EINV, GY, US, REYNOLDS
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005